

Housing

Repayment period of mortgage to be extended from 25 to 40 years;

I do not quite agree with Mr. Gagnon on the last point. I continue quoting:

Income tax legislation to be amended to allow small owners to deduct municipal and school taxes from their taxable income.

It is logical. If \$5,000 worth of materials are needed to build a house, the federal government receives \$550 which increases the cost of construction. Then the Quebec government levies an 8 per cent tax on the increased cost. We have reached the point where taxes are taxed, and then we have the nerve to ask why there is a housing crisis. There is no end to the taxes we have to pay.

The Prime Minister knows full well that to build a house costing \$5,000 in material, the buyer would have to spend \$994 to pay the 11 per cent federal tax and the 8 per cent provincial tax.

Mr. Gagnon also made recommendations to the provincial government. But I shall leave it to the premier of Quebec, Mr. Bertrand, to deal with the taxes in that province. Let us take care of those for which Ottawa is responsible.

Mr. Speaker, Controller Allan Lamport, a former mayor of Toronto, a fairly competent man, I believe, said this on January 9th, and I quote:

[English]

Transport Minister Paul Hellyer's study group on housing is the "biggest whitewash I've ever seen" Toronto Controller Allan Lamport said yesterday.

[Translation]

Mr. Lamport added, and I quote:

[English]

The banks were given special treatment—

[Translation]

There is opposition to granting special treatment to the workers, to paying them such salaries as would enable them to own something, but—

[English]

The banks were given special treatment with the ceiling lifted from 6 per cent to unlimited, but the mortgage rate soon will be 9 or 10 per cent.

[Translation]

That was in January. It is now 10 per cent.

Mr. Speaker, that is what Mr. Lamport had to say about interest rates that keep people from building a house. This increase in interest rate was allowed under the pretext

[Mr. Caouette.]

that it would check inflation, when in fact it spurs it on directly.

When you reduce the purchasing power of the Canadian citizen, it is clear that you contribute to inflation. That is exactly what the government is doing, for instance, by allowing chartered banks to increase their interest rates to excessively high levels, thereby keeping the ordinary Canadian citizen from owning something and feeling at home in his own country, Canada.

Mr. Speaker, here is a testimony from the C.N.T.U. The minister who, at one time, was president of the C.N.T.U. in the province of Quebec, should remember the days when he was the defender of the working class, the defender of the small wage earner, the defender of the humble Canadian people. Here is what the C.N.T.U. has to say in an article entitled: "One word to qualify the Hellyer report on housing", and I quote:

Were your government to enforce its recommendations, it would only serve to strengthen the foundations of this unjust society of ours: no suggestion likely to solve the housing problems of the low and even medium income range of citizens, encouragement given to lifelong indebtedness (a suggestion tending to extend the repayment period)—

As the Prime Minister just told us, we will now give 40 years, instead of 35, to repay loans.

• (3:30 p.m.)

Let us imagine a 45 year-old Canadian, a worker from the Canadair plants in Montreal, Brantford, Toronto or Regina. He buys himself a nice little house—under the plan suggested not so long ago by the Prime Minister—incidentally, we should see it in the White Paper, next week—intending to pay it over a period of 40 years. When he finally owns a house, in his own country, he will be 85 years old.

The Prime Minister tells us that his government treats the Canadian workers generously. His government, as well as the previous one, has always treated foreign countries more generously than Canadians who have built Canada at the sweat of their brows and who are still able to do so.

This does not mean that we object to helping others but it is high time, I believe, that we should think of our own people here, of those who are still willing to work in order to develop Canada.